

CITY OF HORSESHOE BAY

CITY COUNCIL PUBLIC MEETING

June 6, 2006

The Council of the City of Horseshoe Bay held a Public Meeting at City Hall, located at #1 Community Drive, Horseshoe Bay, Llano County, Texas, June 6, 2006, in accordance with duly posted notice of said meeting. Mayor Lambert called the meeting to order at 3:00 p.m. with a quorum of Council Members present as follows:

Robert W. Lambert, Mayor
James E. Babcock, Mayor Pro Tem
John Bird, Alderman
Don Wood, Alderman
Karen Wines, Alderwoman

The posted agenda for this meeting is made a part of these minutes by attachment and the minutes are herewith recorded in the order the agenda items were considered with the agenda subject and item number shown preceding the applicable paragraph.

1. Call to Order and Establish a Quorum: Mayor Lambert called the Public Meeting to order at 3:00 p.m. with a quorum present. Reverend Johnny White from the Church at Horseshoe Bay led the invocation. Mayor Lambert then led the pledge of allegiance to the United States Flag and the Texas Flag.
2. Comments from Mayor: Mayor Lambert welcomed the guests.
3. Comments from Aldermen: Alderman Bird commented Horseshoe Bay is now on the Texas map. The Mayor also commented Alderman Schrader is not at this meeting due to being out of town.
4. Public Comments: Catherine Adair with LCRA introduced Debbie Powell, the new manager of the Ferguson Power Plant. Ms. Powell comes to LCRA from Dell Corporation. She graduated from the U.S. Naval Academy and has 5 years previous power plant management experience. She managed the emergency response on the USS Cole. The Mayor welcomed Ms. Powell and stated that the City of Horseshoe Bay has a great relationship with both LCRA and Ferguson Power Plant.
5. Items to be Removed from Consent Agenda: There were no items removed from the Consent Agenda.

6. Consent Agenda Items: Alderman Babcock made a motion to approve the Consent Agenda Items as submitted:

- a. Approve Minutes of the May 9, 2006 Public Meeting
- b. Final Plat Approval:
 - i. Replat of Lot Nos. W2121 and W2122, Horseshoe Bay West Plat No. W2.2 to be known as Horseshoe Bay West Plat No. W2.6, Llano County
- c. Approve Contract for Assessment and Collection Service Between the City of Horseshoe Bay and the Llano County Tax Assessor and Authorize the General Manager to Execute the Contract
- d. Resolution Concerning the Resale of Tax Sale Properties Held by Llano County
- e. Update on TxDOT HWY 2147 Widening Project
- f. Authorize General Manager to Appoint Mike Light as Building Inspector and to Execute Contract
- g. Building Permit Ordinance Amendment
- h. Building Code Ordinance Amendment
- i. Authorize the General Manager to Dispose of Surplus Personal Property and to Donate Eleven Air Packs to the Cottonwood Shores Area Volunteer Fire Department, Inc.
- j. Adopt Ordinance Extending Traffic Rules to Privately Owned Roads in the Peninsula Subdivision

The motion was seconded by Alderman Wood. The motion passed by unanimous vote (4-0).

7. Llano Central Appraisal District Discussion of 17.5% Proposed 2006-2007 Budget Increase: LCAD Board Members Jack Martin and Louraine Robertson were present. Mr. Martin addressed the Council to explain the budget increase. He reported that there are 40,000 parcels of property in Llano County, 10,000 of these being in HSB. The District has a small staff including only 5 appraisers at this time, which averages to 8,000 appraisals each per year, or 35 per day. There is only one appraiser with five years experience and three with less than a year. He stated that it is to LCAD's advantage to get these appraisers trained as soon as possible. This budget includes \$35,000 to update computer hardware and software, which will reoccur the next four years as well, and \$4,400 to replace the phone system. There is also a budget item for a Chief Appraiser which may not be filled at the beginning of the budget year. He also stated this budget has not yet been voted on and is sent as a courtesy to the taxing units. It is the practice of the LCAD to return any unused money to each entity at the end of the budget year and there has been refunds in four of the last five years. However, there will not be a return this year for various reasons, including personnel changes. Clarence McDaniels, the interim Chief Appraiser was also present and explained the basis of the expense allocation throughout the county. Mr. Martin stated it is based on property values not number of parcels. Mr. Babcock stated according to his calculations that HSB residents may be paying as much as 40% of the bill, while only having 25% of the parcels. He stated Llano pays a lesser amount, but probably has as many parcels. General Manager Mike Thuss reported that the LCAD will hold a public hearing on the proposed budget on June 12, and that he would be available to attend should the City want a representative at the meeting. Mr. Wood stated the MUD District was charged using the same formula. Mayor Lambert stated the City should review the tax code for the method of calculation.

8. General Manager's Report: General Manager Mike Thuss reported the typical reports were included in their packet. The Investment Report reflects \$10.1 million in all accounts and the rate of return is 4.74%. Tax collections are at 95.94% year-to-date. The Budget Report reflects the Water Fund year-to-date operations and maintenance expenses are under budget and revenues are ahead of budget. There is a positive budget variance of over \$141,000. In the General Fund, year-to-date operations and maintenance expenses are under budget and revenues ahead of budget. There is a positive budget variance of over \$103,000. Mr. Thuss stated there were no lost time accidents in the month of May and we conducted our safety meeting on June 6th with a program concerning hazardous materials. The Capital program is on schedule and under budget. Mr. Thuss thanked Glenn Jones for his hard work on the Capital Programs. The final paving on the Central Water Treatment Plant will be completed this month. The Administration Building is now out for bid. The Centex water line replacement project is complete. The City has received about \$38,000 in payment from Centex. The Matern Island project will be out for bid next week. We are on schedule to relocate our lines that interfere with TxDOT's Hwy. 2147 widening project and have issued a notice to proceed to TxDOT and their contractor for a sum not to exceed \$128,000. The work will be done in accordance with the TxDOT schedule and under our inspection. Mr. Thuss stated that Glenn Jones has done great work with Howard Lyons of TxDOT to get this project designed and underway with TxDOT so that we will not be the cause of any delay to their road work. Mr. Thuss also reported that the contract the City prepared for The Hills Section Three firefighting agreement has been delivered to them but as of this date there has been no reply. The Fire Department conducted a CPR class for residents of HSB. He also noted TWCA is meeting at the HSB Marriott June 7-9. Mayor Lambert will welcome the conventioners Wednesday afternoon. The draft revisions of the Administration, Police and Fire Department Policies are ready for review. Alderwoman Wines commended the staff for coming in \$22,000 under budget on the TxDOT project.
9. Preliminary Plat Approval: Mayor Lambert stated there are eight plats to approve on a preliminary basis. Tom Engler, HSB POA General Manager, stated they are concerned about the number of replats currently taking place. The POA is funded by the number of lots in HSB and any reduction in the number causes a decrease in funds. He said the POA has always discouraged the practice of replatting of lots just to avoid paying more than one maintenance fee. The practice is supposed to take place to build across lot lines. Mr. Hurd has in the past not approved the replats just to avoid paying the additional maintenance fees. Mr. Bird stated he was under the assumption that if Mr. Hurd had approved these replats then the POA was also approving these. The Mayor stated the City staff would take a look at this practice and see if there is a plan the City can adopt to help avoid this problem. There was some discussion concerning the replat of Lot 37063-DD7. Alderman Wood made a motion to approve all eight preliminary plats. The motion was seconded by Alderwoman Wines. The motion passed by unanimous vote (4-0).
10. Annexation Request by Kelly Leach: Mayor Lambert introduced Kelly Leach and Charlie Doege who made a presentation on a proposed development of property within the City's ETJ. Mr. Leach stated that the purpose of the presentation today is to begin discussions for annexation of the property into the City. He then presented a layout of the property which is located on the corner of Hwy 71 and RR 2147 and reported that the proposed plan is to build

a garden home community with a commercial development on the corner and possibly a medical clinic within the subdivision. Discussions followed regarding home size, the commercial developments, and available utilities capacity. Mayor Lambert requested that the Council seek Community input on whether or not this type of a project is acceptable and stated that the proposed project will be posted on the City's website with a request for Community input. Mr. Wood stated that even though these developers had approached Lake LBJ MUD prior to the merger there was no implied fact that the annexation would have taken place if the City had not been formed.

11. Mayor to Present Preliminary Report to City Council on Zoning Ordinance: Mayor Lambert presented the preliminary report on the Zoning Ordinance to the City Council. A copy of the Preliminary Report is attached and made a part of these minutes.
12. Discussion of Zoning Ordinance and Workshop: Mayor Lambert stated there is a Public Hearing Wednesday, June 7th at 9:00 a.m. Immediately following the Public Hearing there will be a Zoning Workshop and the community is encouraged to participate. He added there will be a revised draft on the City website this week. Another Public Hearing and Workshop is scheduled for Monday, June 12th at 9:00 a.m.
13. Discussion of Subdivision Ordinance and Workshop: Mayor Lambert stated that the Subdivision Ordinance will be discussed at the June 12th Workshop if time permits after the Zoning Ordinance Workshop. There is a list of questions that the City Council needs to answer and forward to the attorney in order to prepare a Subdivision Ordinance draft.
14. Adjournment: Alderman Wood made a motion to adjourn. Alderman Bird seconded the motion. The motion passed by unanimous vote (4-0) and the meeting was adjourned at 4:35 p.m.

APPROVED this 20th day of June, 2006.

_____/S/
Robert W. Lambert, Mayor

ATTEST:

_____/S/
Toni Vanderburg, City Secretary